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Alberta Finance Economic Bulletin

Economic Statistics Released During the Week of July 28, 2003 to August 1, 2003

	Reference Period	Month/Previous Month (m/m)	Month/Previous Year's Month (y/y)	Comments
Canadian GDP (millions of 1997 dollars)	May 992,487	 0.1%	 1.8%	Canada's Gross Domestic Product edged up 0.1% in May, after declining 0.2% in April. Sharply higher sales of motor vehicles spurred growth in the wholesale (+0.6%) and retail (+0.7%) sectors. The finance, insurance and real estate sector grew by 0.4% due to a stronger resale housing market and a recovering stock market. However, manufacturing remained weak, down 0.4% in May, as production levels fell for a second consecutive month.
Industrial Product Price Index (1997=100)	June 103.9	 -1.0%	 -2.7%	Manufacturers' prices fell 1.0% in June, and were down 2.7% on an annual basis, due largely to the strength of the Canadian dollar. Excluding the effect of the exchange rate, the IPPI was up 1.2% from a year ago. Annually, declines in the prices of motor vehicles and other transport equipment (-9.7%), lumber and wood products (-7.9%) and electrical and communication products (-6.2%) were the main contributors to the index's decline. Higher petroleum and coal prices (+4.1%) reduced the annual decline in the index.
Raw Materials Price Index (1997=100)	June 114.3	 1.2%	 3.2%	Raw materials prices increased by 1.2% in June. Higher mineral fuel prices (+4.9%) drove this month's increase in the index. Lower prices for vegetable products (-2.8%), non-ferrous metals (-2.6%), ferrous metals (-2.4%) and wood products (-2.3%) partly offset the increase in mineral fuels prices.
Rigs Drilling	July 341	 30.7%	 51.2%	In July, the number of active rigs drilling in Alberta rose sharply for the second consecutive month, up 30.7%. The active rig count of 341 was 50% above the average level for July over the preceding decade. Year-to-date, drilling activity is running 24.8% ahead of the pace set through the first 7 months of 2002.

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